

Dear City Employees:

Today City Council Budget Chair Richard McIver and I announced proposed changes to rebalance the city's 2004 General Fund budget. Those changes were made necessary after a recent court ruling on streetlights.

For several weeks, I have met with Councilmember McIver, as well as Council President Jan Drago, and Councilmembers Richard Conlin and Tom Rasmussen. Together, we worked hard to identify potential reductions that would protect basic services and the safety net, and would minimize the potential for layoffs.

Together, we have identified about \$9.3 million in proposed cuts for 2004, but we expect few, if any layoffs to result from these reductions.

We agreed that there should be no reductions to the Neighborhood Matching Fund and to make no reductions to uniformed police and fire positions. Most City departments took cuts, but we were able to maintain basic services for the citizens of Seattle.

I will formally submit the proposal to the Council next week and Council action is expected by early April.

Over the past several weeks, as we reviewed our options for filling this estimated \$10.5 million gap, we knew we had to set priorities and make choices. The proposed cuts will allow us to preserve the community safety net for the homeless, hungry and poor in our city, but we still face major financial challenges next year.

We have faced difficult budget times in the last two years. In that time, I have admired the professionalism and outstanding service of City employees. Day in and day out, you come to work to help the citizens of Seattle.

As always, I thank you for your hard work.

Sincerely,

GREG NICKELS
Mayor

P.S. Details of the proposal can be found at <http://www.cityofseattle.net/mayor/>